

November 9, 2009

Mr. George Kahoohanohano Chair, Board of Trustees Hawaii Employer Union Trust Fund 201 Merchant Street, Suite 1520 Honolulu, Hawaii 96813

Dear Mr. Kahoohanohano:

We wish to express to you how troubled we are over reports being received by our offices concerning the conduct of the EUTF enrollment process now in progress and its impact on our State employees. These reports concern the inadequacy of materials informing EUTF enrollees of the choices that are being placed before them as well as misleading statements on the actions they will need to take to ensure the continuity of their health care.

We are concerned that the EUTF is now distributing information that states that no action is needed if an enrollee desires to continue with the same enrollments and plan designs. The language of the Open Enrollment General Notice states that, "If you wish to continue with the same enrollments and plan designs you are currently enrolled in, no further action is necessary. . . If you have no choices to make to your health benefit and life insurance choices, do not submit a Form EC-1."

For the majority of EUTF employees, this is simply not the case if the employee desires to remain with their current health plan.

This departure from all previous EUTF open enrollment processes that we are familiar with constitutes a major problem for enrollees who have never been confronted with being automatically defaulted to another carrier and forced to take an extraordinary action to simply stay with that carrier. The effect of this confusion due to the lack of proper information, notification and a substantial change in previous policy – and consequential misunderstanding — will be the serious disruption of health care for thousands of enrollees. We have the recent history of HSTA if we need to be further reminded of the real consequences of poor communication and execution.

Thus we agree with a number of our colleagues that the current enrollment process is seriously flawed. We need to pause and re-think and re-plan what is going on here. We would rather have the enrollment process be immediately suspended and avoid having EUTF enrollees go through the major disruption that will follow (and that we can all see coming). We need to resolve and find solutions to these issues before we further inflict a dysfunctional process on our State and County employees.

With warmest regards,

Colleen Hanabusa Senate President

Chair, Senate Committee on Health